



CONCORDIA
UNIVERSITY
OF EDMONTON

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2018



August 24, 2018

Independent Auditor's Report

To the Board of Governors of Concordia University of Edmonton

We have audited the accompanying financial statements of Concordia University of Edmonton, which comprise the statement of financial position as at March 31, 2018 and the statements of operations, changes in net assets and cash flows for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Concordia University of Edmonton as at March 31, 2018 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

CONCORDIA UNIVERSITY OF EDMONTON

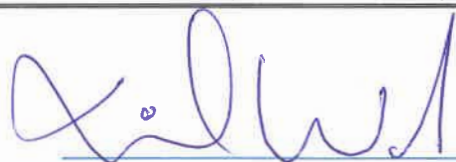
Statement of Financial Position

March 31, 2018, with comparative figures for March 31, 2017

	March 31, 2018	March 31, 2017
Assets		
Current		
Cash and cash equivalents	\$ 2,508,661	\$ 3,424,009
Investments (Note 3)	5,084,007	7,910,334
Accounts receivable	810,304	709,807
Bookstore inventory	165,683	174,922
Prepaid expenses	346,222	343,702
	8,914,877	12,562,774
Employee future benefits (Note 13)	2,148,200	1,174,600
Capital assets (Note 4)	33,858,095	23,126,677
Total Assets	\$ 44,921,172	\$ 36,864,051
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 6)	\$ 3,632,779	\$ 1,666,754
Deferred revenue (Note 7)	4,142,074	4,057,816
Specially designated funds (Note 8)	598,362	466,735
Demand loans (Note 9)	3,001,825	926,066
Current portion of term loan (Note 10)	5,913,512	319,805
	17,288,552	7,437,176
Long Term		
Term loan (Note 10)	-	5,929,469
Unamortized deferred capital contributions (Note 12)	7,371,528	4,998,861
Employee future benefits (Note 13)	1,731,000	1,707,000
	9,102,528	12,635,330
Total Liabilities	26,391,080	20,072,506
Net Assets		
Endowments	872,218	819,718
Internally restricted net assets	908,766	3,958,491
Invested in capital assets	17,571,230	10,952,476
Unrestricted net assets	(822,122)	1,060,860
Net Assets	18,530,092	16,791,545
Total Liabilities and Net Assets	\$ 44,921,172	\$ 36,864,051

Approved by:





CONCORDIA UNIVERSITY OF EDMONTON

Statement of Operations

Year ended March 31, 2018, with comparative figures
for the year ended March 31, 2017

	Year ended March 31, 2018	Year ended March 31, 2017
Revenue		
Gifts and grants		
Government of Alberta grants (Note 7)	\$ 12,845,773	\$ 12,687,226
Government of Canada grants (Note 7)	42,926	156,662
Designated fees, gifts, and grants	116,888	295,219
Operations gifts and grants	-	1,410
Amortization of deferred capital contributions (Note 12)	299,209	291,378
	13,304,796	13,431,895
 Student tuition and fees, and other revenue		
Student tuition and fees (Note 7)	16,094,881	15,416,493
Auxiliary enterprises and activities (Schedule 1)	2,108,317	2,073,474
Student activities	189,883	210,278
Investment income (Note 3)	190,035	298,003
Gain on disposal of capital assets	2,500	466
Other	245,693	208,624
	18,831,309	18,207,338
Total revenue	32,136,105	31,639,233
 Expenses		
Academic programs (Schedule 2)	13,455,854	12,481,845
Support programs (Schedule 2)	13,180,146	12,195,121
Research	70,338	197,206
Auxiliary enterprises and activities (Schedule 1)	1,461,737	1,389,392
Student financial aid	739,800	898,746
Interest on long term liabilities	212,248	357,029
	29,120,123	27,519,339
Excess of revenue over expenses from operations before the undernoted	3,015,982	4,119,894
Amortization of capital assets	1,291,490	1,361,544
Excess of revenue over expenses	\$ 1,724,492	\$ 2,758,350

CONCORDIA UNIVERSITY OF EDMONTON

Statement of Changes in Net Assets

Year ended March 31, 2018, with comparative figures
for the year ended March 31, 2017

	Net Assets Available for Operations	Invested in Capital Assets	Internally Restricted	Endowments	Total Net Assets March 31, 2018	Total Net Assets March 31, 2017
Net assets, beginning of year	\$ 1,060,860	\$ 10,952,476	\$ 3,958,491	\$ 819,718	\$ 16,791,545	\$ 12,891,995
Excess (deficiency) of revenue over expenses	2,714,273	(989,781)	-	-	1,724,492	2,758,350
Employee future benefits re-measurements (Note 13)	(14,400)	-	-	-	(14,400)	1,090,400
Endowment contributions	(24,045)	-	-	52,500	28,455	50,800
Transfers						
For internally restricted purposes	3,049,725	-	(3,049,725)	-	-	-
For capital additions	(12,060,914)	12,060,914	-	-	-	-
Proceeds from disposal of capital assets	40,506	(40,506)	-	-	-	-
Capital contributions (Note 11)	2,671,876	(2,671,876)	-	-	-	-
Advance on demand loan	2,257,009	(2,257,009)	-	-	-	-
Repayment of loans	(517,012)	517,012	-	-	-	-
Net assets, end of year	\$ (822,122)	\$ 17,571,230	\$ 908,766	\$ 872,218	\$ 18,530,092	\$ 16,791,545

CONCORDIA UNIVERSITY OF EDMONTON
Statement of Cash Flows

Year ended March 31, 2018, with comparative figures
for the year ended March 31, 2017

	Year ended March 31, 2018	Year ended March 31, 2017
Net inflow (outflow) of cash related to the following activities		
Operating		
Excess of revenue over expenses	\$ 1,724,492	\$ 2,758,350
Items not involving cash:		
Employee future benefits	(964,000)	(735,735)
Amortization of capital assets	1,291,490	1,361,544
Gain on disposal of capital assets	(2,500)	(466)
Amortization of deferred capital contributions	(299,209)	(291,378)
Unrealized gain in value of investments	(200,595)	(316,032)
	1,549,678	2,776,283
Change in non-cash working capital:		
Increase in accounts receivable	(100,497)	(62,355)
Decrease in bookstore inventory	9,239	6,854
Increase in prepaid expenses	(2,520)	(76,244)
Increase in accounts payable and accrued liabilities	1,966,025	740,480
Increase in deferred revenue	84,258	98,365
Increase (decrease) in specially designated funds	131,627	(58,130)
	3,637,810	3,425,253
Investing		
Investments purchased	-	(57,254)
Proceeds from sale of investments	3,026,922	-
Capital assets purchased	(12,060,914)	(3,384,846)
Proceeds from disposal of capital assets	40,506	39,373
	(8,993,486)	(3,402,727)
Financing		
Increase in deferred capital contributions	2,671,876	256,388
Endowment contributions	28,455	50,800
Repayment of demand loans	(181,250)	(181,250)
Advance on demand loan	2,257,009	-
Repayment of term loan	(335,762)	(304,974)
	4,440,328	(179,036)
Decrease in cash and cash equivalents	(915,348)	(156,510)
Cash and cash equivalents, beginning of year	3,424,009	3,580,519
Cash and cash equivalents, end of year	\$ 2,508,661	\$ 3,424,009

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2018

1. STATUS AND PURPOSE OF THE ORGANIZATION

Concordia University of Edmonton (the “University”) was incorporated Dec 11, 2015 by a special act of the Legislative Assembly of Alberta. The University was formerly known as Concordia University College of Alberta. It is an independent educational institution and a registered charity under the Income Tax Act. As such it is exempt from corporate income taxes.

2. SUMMARY OF ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and are prepared using the deferral method of accounting for contributions and grants. The following policies are considered significant:

(a) Revenue recognition

Restricted contributions are deferred when received and recognized in the year in which the related expenses are incurred. Student tuition and fees for academic programs and courses are recognized as revenue when the programs and courses are taken throughout the academic semester. Government grants for specific programs are recognized when actual program-related expenses are incurred. Province of Alberta operating grants are recognized in the fiscal year for which the funding is intended.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted investment income is recognized as revenue when earned. Income from the investment of restricted assets is included in deferred revenue in the statement of financial position. Revenue derived from auxiliary enterprises and activities is recognized when the service is performed and collection is reasonably assured.

Externally restricted capital contributions are recorded as deferred capital contributions until the amount is invested to acquire capital assets. Amounts invested representing externally funded capital assets are then transferred to unamortized deferred capital contributions.

Unamortized deferred capital contributions are amortized into revenue on a straight line method at a rate corresponding with the amortization rate for the related capital asset.

(b) Cash and cash equivalents

Cash and cash equivalents include cash and liquid short-term guaranteed investment certificates with maturity less than three months.

(c) Bookstore inventory

Inventory is stated at the lower of cost and net realizable value. Cost is determined using the first-in first-out method. Cost of purchased inventory includes the purchase price, shipping and net tax. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated selling costs. When circumstances which previously caused inventories to be written down no longer exist, the previous impairment is reversed. Inventory represents textbook inventory.

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2018

2. SUMMARY OF ACCOUNTING POLICIES (continued)

(d) Capital assets

Capital assets acquired prior to June 1, 1955 are recorded at appraised values. Subsequent additions are recorded at cost. Donated capital assets are recorded at the fair market value on the date of the receipt of the gift. Amortization, which is based on the recorded value less the residual value over the useful life of the asset, is computed using the straight-line method at the following annual rates:

Buildings	
Trailers	10%
Wood structures	5%
Brick structures	2.5%
Concrete structures	2%
Equipment	10-25%
Improvements other than buildings	5-20%
Library resources	10%
Vehicles	20%

(e) Impairment of long-lived assets

When a long-lived asset no longer has any service potential to the University, the excess of the net carrying amount over any residual value is recognized as an expense.

(f) Use of estimates

The preparation of these financial statements, in conformity with Canadian accounting standards for not-for-profit organizations, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates included in the financial statements include the allowance for doubtful accounts, provision for amortization, impairment of capital assets, accrued liabilities and employee future benefits. Actual results could differ from those estimates.

(g) Internally restricted net assets

Internally restricted net assets consist of amounts which are not available for use without the approval of the Board of Governors.

(h) Endowments

Endowed contributions from external sources are recognized as direct increases in net assets in the year received. The income from endowments designated for student aid is included in deferred revenue.

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2018

2. SUMMARY OF ACCOUNTING POLICIES (continued)

(i) Financial instruments

Financial instruments consist of cash and cash equivalents, investments, accounts receivable, accounts payable and accrued liabilities, demand loans and term loan.

Cash and cash equivalents and all investments are recorded at fair value with changes in fair value recognized in the statement of operations.

Accounts receivable are initially recognized at fair value and subsequently measured at amortized cost. Accounts payable and accrued liabilities, demand loans, capital loan, and term loan are initially recognized at fair value net of transaction costs and subsequently measured at amortized cost using the straight-line interest rate method.

Risk management:

The University periodically monitors the principal risks assumed in its investments. The risks that arise from transacting financial instruments include credit risk, liquidity risk, and price risk. Price risk arises from changes in interest rates, foreign currency exchange rates and market prices. The University does not use derivative financial instruments to alter the effects of these risks. The University manages these risks using risk management policies and practices, including various approved asset mix strategies and risk management limits.

Changes in interest rates and credit ratings are the main cause of changes in the fair value of government securities and corporate bonds resulting in a favourable or unfavourable variance compared to book value. Credit risk is mitigated by investing in securities with a rating of BBB or better and diversifying the securities between government, government backed and corporate issuers. Interest rate risk is mitigated by managing maturity dates and payment frequency. The University is exposed to credit risk related to the accounts receivable arising from student fees and auxiliary activities. Delinquent accounts are monitored and contacted on a monthly basis. Any accounts delinquent in excess of 120 days are referred to a collection agency. The University's long-term interest bearing debts are at fixed rates to mitigate the effects to cash flow that interest rate changes could have.

(j) Contributed materials and services

Contributed materials and services are only recognized when the fair value can be reasonably measured at the date of contribution. This is done using market or appraised value. For contributed materials that are normally purchased, fair market is determined in relation to the purchase of similar materials or services.

(k) Employee future benefits

The University accrues its obligations for its defined benefit pension plan as the employees render the services necessary to earn the pension benefits. The accrued benefit obligation for the defined benefit pension plan is determined based on an actuarial valuation prepared for funding purposes. For the University's post-retirement benefit plan, the accrued benefit obligation is determined based on an actuarial valuation prepared for accounting purposes using the accumulated benefit method. The University recognizes the net amount of the accrued benefit obligation and the fair

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2018

2. SUMMARY OF ACCOUNTING POLICIES (continued)

value of plan assets in the statement of financial position. Re-measurements, which include the difference between the actual return on plan assets and the return calculated using the discount rate used to determine the defined benefit obligation, actuarial gains and losses, valuation allowances, past service costs and gains and losses arising from settlements and curtailments, are recognized directly in net assets.

(l) Accounting standards issued but not yet adopted

Section 4433, Tangible Capital Assets held by Not-for-Profit Organizations (NPOs) will replace Section 4431, Tangible Capital Assets held by NPOs, requiring the application of Sections 3061, Property, Plant and Equipment and 3110, Asset Retirement Obligations in Part II of the CPA Canada Handbook for tangible capital assets held by NPOs. Section 4433 provides guidance on contributed assets and write-downs of assets and requires disclosures related to impairments of tangible assets in accordance with Section 3063, Impairment of Long Lived Assets in Part II. Section 4433 is effective for years beginning on/after January 1, 2019. The University is in the process of evaluating the impact Section 4433 may have on the financial statements.

3. INVESTMENTS

The University has a managed portfolio with holdings of guaranteed interest certificates, fixed income, and equity securities. Investment transactions regularly occur within this portfolio, based on the recommendation of the portfolio advisor, and approved by management.

Investments are comprised of the following:

	March 31, 2018	March 31, 2017
Interest bearing deposits	\$ 1,322,544	\$ 4,299,175
Pooled funds	2,871,237	2,673,810
Foreign equities	72,660	83,504
Domestic equities	296,006	318,107
Bonds and preferred shares with average stated yields of approximately 3.5% (2017 – 3.5%)	521,560	535,738
	<u>\$ 5,084,007</u>	<u>\$ 7,910,334</u>

Investment income is comprised of the following:

	Year ended March 31, 2018	Year ended March 31, 2017
Interest and dividends	\$ 97,147	\$ 84,777
Unrealized gain in value of investments	200,595	316,032
Realized (loss) gain on sale of investments	(12)	2,305
Transaction costs and administration fees	(41,180)	(32,970)
Deferred for designated purposes (Note 7)	(66,515)	(72,141)
	<u>\$ 190,035</u>	<u>\$ 298,003</u>

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2018

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	March 31, 2018 Net Book Value	March 31, 2017 Net Book Value
Land	\$ 2,242,248	\$ -	\$ 2,242,248	\$ 2,042,248
Buildings	27,998,079	10,995,986	17,002,093	16,883,778
Construction in progress	12,524,856	-	12,524,856	2,149,712
Equipment	4,064,628	2,595,375	1,469,253	1,342,884
Improvements other than buildings	690,840	445,970	244,870	284,326
Library resources	1,017,183	695,048	322,135	393,404
Vehicles	78,834	26,194	52,640	30,325
Total	\$ 48,616,668	\$14,758,573	\$ 33,858,095	\$23,126,677

The construction in progress of \$12,524,856 (2017: \$2,149,712) is not being amortized as the assets are not available for use.

5. BANK INDEBTEDNESS

The University has approval for a revolving demand loan to a maximum of \$2,500,000 (2017: \$2,500,000), which includes the standby letters of credit to assist with operating cash flow requirements. This facility revolves in multiples of \$50,000 and is convertible from a floating rate to a fixed rate at any time. The interest rate on borrowings under this loan facility is prime rate plus one-half percent, payable monthly in arrears. Subject to the bank's right to demand payment at any time, advances must be repaid within 395 days from the date of the advance. The facility is secured by assets of the University under the general security agreement (note 10). This credit facility was not accessed at March 31, 2018.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2018	March 31, 2017
Accrued vacation and administrative leave payable	\$ 1,301,709	\$ 823,468
Accrued salaries payable	7,688	136,340
Trade payables and accrued liabilities	2,296,719	676,833
Government remittances payable	26,663	30,113
	\$ 3,632,779	\$ 1,666,754

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2018

7. DEFERRED REVENUE

	Balance, March 31, 2017	Receipts	Revenue recognized	Balance, March 31, 2018
Tuition and fees	\$ 2,683,532	\$ 16,054,159	\$ 16,094,881	\$ 2,642,810
Scholarships and bursaries	1,158,993	157,549	146,607	1,169,935
Government of Canada grants	4,802	76,714	42,926	38,590
Government of Alberta grants	-	12,905,773	12,845,773	60,000
Other income	138,348	100,347	74,471	164,224
Deferred investment income (Note 3)	72,141	66,515	72,141	66,515
	<u>\$ 4,057,816</u>	<u>\$ 29,361,057</u>	<u>\$ 29,276,799</u>	<u>\$ 4,142,074</u>

Deferred revenue includes pre-registration fees, deposits, restricted donations, and designated grants received but unused.

8. SPECIALLY DESIGNATED FUNDS

Specially designated funds consist of resources in the amount of \$598,362 (2017: \$466,735) that have been placed with the University for specific purposes that are not part of the operations of the University.

9. DEMAND LOANS

	March 31, 2018	March 31, 2017
Demand loan #1 non-revolving at bank prime rate plus 0.5%, payable in monthly installments of \$12,500 plus interest, amortized over 10 years.	\$ 300,000	\$ 450,000
Demand loan #2 non-revolving at bank prime rate plus 0.5% payable in monthly installments of \$2,604 plus interest amortized over 20 years.	444,816	476,066
Demand loan #3 non-revolving at bank prime rate plus 0.75%, interest payable monthly.	2,257,009	-
	<u>\$ 3,001,825</u>	<u>\$ 926,066</u>

Demand loan #1 and #2 may be converted to fixed rate term loans at any time for terms of 1 to 10 years. If a fixed rate term is selected, no prepayments will be permitted.

Demand loan #1 is secured by a bank guaranteed investment certificate of \$801,855. Additional security for the demand loan is described in note 10.

Demand loan #2 was used to purchase two residential properties at 7305 112 Avenue and 7309 112 Avenue, Edmonton, AB.

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2018

9. DEMAND LOANS (continued)

Combined outstanding principal payments for demand loan #1 and #2 are scheduled as follows:

	2019	\$	181,250
	2020		181,250
	2021		31,250
	2022		31,250
	2023		31,250
	Thereafter		288,566
			\$ 744,816

Demand loan #3 is a \$5,500,000 non-revolving facility, to assist with the construction of the Centre for Science, Research and Innovation (“CSRI”) building. Advances are repayable on demand and in the absence of demand, the loan is due at the earlier of 18 months from the initial loan advance of November 2017 or substantial completion of the CSRI building. Security for the loan is described in note 10.

In addition to these demand loans, the University obtained three additional demand credit facilities for construction of the CSRI building. The University has not yet accessed funding through any of these credit facilities as at March 31, 2018. Details of the credit facilities are as follows:

\$1,000,000 demand loan, non-revolving, at a rate of prime plus 0.75% to provide short term bridge financing pending receipt of Strategic Infrastructure Funds from the Government of Canada.

\$1,000,000 demand loan, re-advanceable, at a rate of prime plus 0.50% to assist with ongoing capital expenditures.

\$5,500,000, demand loan, non-revolving, at a rate of prime plus 0.75%. This loan is convertible to a fixed term loan with a term between one and 10 years. The purpose of the loan is to provide take out financing upon completion of construction, and provide long term financing for the new CSRI building. This financing will replace financing that is received during the course of construction.

10. TERM LOAN

	March 31, 2018	March 31, 2017
2.53% fixed rate term loan, maturing on May 31, 2018. Subsequent to year-end, the loan was converted to a demand promissory note and is payable in blended instalments of \$45,453 with interest at prime plus 0.5%. The loan is amortized over 15 years.	\$ 5,913,512	\$ 6,249,274
Current portion	(5,913,512)	(319,805)
	\$ -	\$ 5,929,469

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2018

10. TERM LOAN (Continued)

The demand loans (note 9) and term loan are secured by a general security agreement providing a first charge over all accounts receivable, inventory, and equipment and by a first collateral mortgage in the amount of \$17,000,000 over the property described as Concordia University of Edmonton.

In the absence of demand, outstanding principal payments are scheduled as follows:

	2019	\$	293,928
	2020		328,773
	2021		342,578
	2022		356,357
	2023		370,691
	Thereafter		4,221,185
		<u>\$</u>	<u>5,913,512</u>

11. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent unspent externally restricted capital grants and donations. Changes in the deferred contributions balances are as follows:

	March 31, 2018	March 31, 2017
Balance, beginning of year	\$ -	\$ -
Grants and donations received	2,671,876	256,388
Transfer to unamortized deferred capital contributions (Note 12)	(2,671,876)	(256,388)
Balance, end of year	<u>\$ -</u>	<u>\$ -</u>

12. UNAMORTIZED DEFERRED CAPITAL CONTRIBUTIONS

The changes in the unamortized deferred capital contributions balance are as follows:

	March 31, 2018	March 31, 2017
Balance, beginning of year	\$ 4,998,861	\$ 5,033,851
Deferred capital contributions (Note 11)	2,671,876	256,388
Amortization to revenue	(299,209)	(291,378)
Balance, end of year	<u>\$ 7,371,528</u>	<u>\$ 4,998,861</u>

CONCORDIA UNIVERSITY OF EDMONTON
Notes to the Financial Statements
Year Ended March 31, 2018

13. EMPLOYEE FUTURE BENEFITS

a. Employee future benefit asset

	<u>March 31, 2018</u>	<u>March 31, 2017</u>
Fair value of plan assets	\$ 35,105,000	\$ 33,934,800
Accrued benefit obligation	32,956,800	32,760,200
Plan surplus	<u>\$ 2,148,200</u>	<u>\$ 1,174,600</u>

b. Employee future benefit liability

	<u>March 31, 2018</u>	<u>March 31, 2017</u>
Post-retirement benefit plan deficit	<u>\$ 1,731,000</u>	<u>\$ 1,707,000</u>

The University employee pension plan consists of a defined benefit plan, post-retirement benefit plan and a defined contribution pension plan. The defined benefit pension plan is a contributory, final average earning pension plan. The defined benefit pension plan was closed to new members on January 1, 2012. The most recent funding valuation used in determining the defined benefit obligation was completed as at January 1, 2015.

The post-retirement benefit plan is an unfunded plan that includes medical, dental and death benefits provided to employees who retired prior to July 1, 2012.

For the 2018 fiscal year total employer contributions to the retirement plans were \$951,500 (2017: \$920,727). Current service and finance costs of \$67,500 (2017: \$184,992) have been recognized in expenses and re-measurement gains of \$14,400 have been recognized in net assets (2017: \$1,090,400).

The defined contribution pension plan is funded by employer and employee contributions. Employees contribute 4% of earnings and the University contributes 6% of employees' earnings. Pension expense under the defined contribution pension plan for 2018 was \$742,998 (2017: \$666,032).

CONCORDIA UNIVERSITY OF EDMONTON
Schedule of Auxiliary Enterprises and Activities
Year ended March 31, 2018,
with comparative figures year ended March 31, 2017

Revenue	Year ended March 31, 2018	Year ended March 31, 2017
University stores	\$ 989,907	\$ 964,546
Food services	50,647	43,184
Student housing	413,808	349,636
Conventions and other	653,955	716,108
	<u>2,108,317</u>	<u>2,073,474</u>
Expenses		
University stores	906,215	887,954
Food services	38,389	48,763
Student housing	215,880	187,878
Conventions and other	301,253	264,797
	<u>1,461,737</u>	<u>1,389,392</u>
Net revenue	<u>\$ 646,580</u>	<u>\$ 684,082</u>
Net revenue (expenses)		
University stores	\$ 83,692	\$ 76,592
Food services	12,258	(5,579)
Student housing	197,928	161,758
Conventions and other	352,702	451,311
	<u>\$ 646,580</u>	<u>\$ 684,082</u>

CONCORDIA UNIVERSITY OF EDMONTON

Schedule of Expenses by Department

Year ended March 31, 2018,
with comparative figures for the year ended March 31, 2017

	Year ended March 31, 2018	Year ended March 31, 2017
<i>Academic programs</i>		
Management and professional education	\$ 2,260,833	\$ 2,117,168
Natural science and public health	2,843,540	2,741,918
Arts, social science and religious studies	5,095,839	4,550,396
Education	1,353,952	1,292,388
	11,554,164	10,701,870
Academic services	1,901,690	1,779,975
	\$ 13,455,854	\$ 12,481,845
<i>Support programs</i>		
Facility maintenance	\$ 3,725,281	\$ 3,597,568
Institutional support	1,726,659	1,614,452
Student services	2,467,043	2,195,929
Library and archives	1,186,900	1,151,976
General administration	2,940,616	2,650,030
Student activities	1,133,647	985,166
	\$ 13,180,146	\$ 12,195,121

Schedule 3

CONCORDIA UNIVERSITY OF EDMONTON
Schedule of Revenue and Expenses by Object
Year ended March 31, 2018,
with comparative figures for the year ended March 31, 2017

<i>Revenue</i>	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from Government of Alberta		
General operating grant	\$ 12,845,773	\$ 12,489,306
Other grants	-	197,920
Total Government of Alberta operating funding	12,845,773	12,687,226
Government of Canada Grants	42,926	156,662
	12,888,699	12,843,888
Student sources of revenue		
Tuition for accredited courses	13,373,306	12,826,592
Foreign student differential fees	864,123	915,291
Miscellaneous fees and student charges	1,825,907	1,612,640
Total tuition and fees for accredited programs	16,063,336	15,354,523
Tuition and fees for non-accredited programs	31,545	61,970
	16,094,881	15,416,493
Other grants, donations, and fundraising	116,888	296,629
Sale of goods and services (Schedule 1)	2,108,317	2,073,474
Investment income (Note 3)	190,035	298,003
Gain on disposal of capital assets	2,500	466
Other revenue	435,576	418,902
Amortization of deferred capital contributions (Note 12)	299,209	291,378
Total revenue	32,136,105	31,639,233
Expenses		
Salary and wages		
Salaries and wages	18,545,908	17,186,723
Employee benefits	3,091,535	2,640,461
	21,637,443	19,827,184
Utilities		
Gas	220,217	127,651
Electricity	352,284	339,366
Other	95,290	97,492
	667,791	564,509
Maintenance	241,609	252,936
Property tax	25,504	20,858
Supplies and services	4,730,260	4,788,653
Scholarships and bursaries	739,800	898,746
Cost of goods sold	865,468	809,424
Interest	212,248	357,029
Amortization of capital assets	1,291,490	1,361,544
Total expenses	30,411,613	28,880,883
Net Surplus	\$ 1,724,492	\$ 2,758,350